(d) by when action will be taken on them?

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): (a) to (d) Reserve Bank of India (RBI) have reported that they had appointed Shri G.R. Bedge, IAS (Retd) in June, 1994 for looking into accountability of the top management for the irregularities in securities transactions in Bank of India Finance Ltd. the Special officer had identified the following officials in connection with the various irregularities;

(i) Shri R. Srinivasan, former CMD, Bank of India;

(ii) Shri A.T. Pannir Selvam, former Chairman, BOIFIN & presently CMD. Union Bank of India;

(iii) Shri D.D. Avari, former overseeing Director, BOIFIN;

(iv) Shri V.D. Saptharshi, the then Chief Executive BOIFIN;

(v) Shri A.V. Jog, the then, Chief Executive, BOIFIN

(vi) Shri S.P. Wagh, the then, Director, BOIFIN

(vii) Shri B.A. Vyas, Senior Executive, BOIFIN

(viii) Shri A.V. Meenakshi Sundaram, Senior Project manager BOIFIN

(ix) Shri C.M. Vaidya, Chief Manager, BOIFIN;

(x) Shri V.H. Ramakrishnan, the then Chief Executive of BOIFIN.

Action has been taken according to the circumstances of each case and the degree of responsibility established after considering the report of the Special Officer. Shri Saptharshi and Shri Jog have been dismissed from the service. Major Penalty proceedings have been initiated against Shri Vyas and Shri Meenakshi Sundaram. Letter of displeasure was communicated to Shri A.T. Pannir Selvam. Shri Vaidya was reprimanded. The bank is in correspondence with Central Vigilance Commission regarding Shri Ramakrishnan. No departmental action was possible against Shri Srinivasan, Shri Avari and Shri Wagh, who have retired from the service. A copy of the report of the Special Officer has also been sent to the CBI for their examination.

Permission to MNCs

969. SHRI N. GIRI PRASAD:
SHRI GURUDAS DAS GUPTA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the multinationals are allowed to do their business in the country throught the new 100 percent subsidiary route instead of their established and listed subsidiaries;

(b) if so, what are the special features of this wholly owned subsidiaries;

(c) whether it is a fact that most of the projects undertaken by such subsidiaries are not capital intensive and related to marketing their products; and

(d) if so, the details and Government's reaction theret ?

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): (a) to (d) An automatic approval mechanism for foreign investment upto 51% foreign equity in priority sectors has been installed. All other proposals including proposals for foreign equity investment upto 100% are considered and approved by Govt. The New Industrial Policy does not lay down any restrictions in terms of percentage of foreign equity holdings or sectors where 100% foreign investment are not to be permitted.

In the case of 100% owned foreign companies, approvals have fairly covered various sectors and maximum number are in services and electronics sectors including computer software etc.

Panel Constituted to Expedite Decision on Projects

970. SHRI SANATAN BISI: Will the Minister of FINANCE be pleased to state:

(a) whether any panel has been constituted to expedite decision on projects in the infrastructure sector; and

(b) what are the projects pending, State-wise if any, and the details thereof;